



CARNARVON  
PETROLEUM  
LIMITED  
ABN 60 002 688 851

15 February 2006

Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
20 Bond Street  
SYDNEY NSW 2000

*Via ASX Online*

Dear Sir

### **PLACEMENT TO RAISE \$4 MILLION**

Carnarvon Petroleum Limited ("Carnarvon") has pleasure in advising that it has today reached in-principle agreement with Hartleys Limited to place 88,900,000 shares at 4.5 cents per share to raise approximately \$4 million to institutional and retail clients of Hartleys Limited.

The placement has been made in 2 tranches – tranche 1 of 47,500,000 shares pursuant to the company's 15% capacity and tranche 2 of 41,400,000 shares subject to shareholders' approval at a meeting to be scheduled in March 2006. Shareholders' approval will also be sought for the participation of the Directors in tranche 2 of the placement up to 9,000,000 shares.

Ted Jacobson, Chief Executive Officer of Carnarvon stated, "We are delighted with the overwhelming support offered to the Company to fund the planned 3D seismic and drilling programmes at the Wichian Buri Oil Field and surrounding permits in Thailand (CVN:40%).

The Wichian Buri Joint Venture has approved an aggressive programme of exploration, appraisal and development wells over the next 12 months. This is due to commence next month with a large 225 sq km 3D seismic programme over the Wichian Buri structural trend and two appraisal development wells on the Wichian Buri Field which will be free carried for Carnarvon. It is hoped that these wells will result in a significant increase in gross oil production currently at a mere 140 bbls/day. The results of the wells will also be used to establish parameters for the remainder of the drilling programme in the second half of the year. We look forward to an exciting period for Carnarvon."

Yours faithfully,

Bob Anderson  
Company Secretary